

I would like to address the issue of the BellSouth petition for further regulation of Internet Service Providers (ISPs). This petition would like to have its readers believe that market competition is strong amongst ISPs, I would like to have it known that this is a grossly false statement. Past FCC decisions have nearly regulated small ISPs (those that run it as a small business) to the breaking point. Large ISPs (Cox Communications, SBC, BellSouth, etc.) have the benefit of enormous ad campaigns and an enormous customer base, which immediately gives them a great advantage over small ISPs that are trying to provide competition in the industry. This competition is what the industry needs to drive the cost of broadband down almost to an at-cost level (after the initial expenses of setting up an ISP, this is quite low), to my recollection, such is the goal of the President to offer broadband to all households at a price affordable to all.

Large ISPs would like nothing more than the further regulation of the industry because it will put more small ISPs out of business, giving them even more customers with less competition, and less competition drives the price up. In many places the competition that the BellSouth petition refers to is nothing more than the type of broadband, usually a choice between two companies: a cable company, or a phone company. This is not adequate competition in the market, as they would have readers of the petition believe.

Regulation only requires more spending on behalf of the government and causes harm to the consumer. The FCC should be allowing the small ISPs to flourish (within standards, of course) because in true capitalistic nature, competition breeds better services, better prices, and better quality to give to the consumer. Large companies enjoy less competition because it costs them much less money when they do not have to provide better services, prices, or quality. At the same time, such competition provides more employment opportunity because more small businesses are able to hire more employees because they are always trying to expand their business as quickly and at the lowest cost possible. Large companies expand quite slowly and try to keep costs low at the same time; this means they hire as few employees as possible merely to keep up with their turnover rate.

If competition with small ISPs leads to a large ISP shutting its doors, then so be it for such is the nature of capitalism: out-sell your competitor and provide better products or disappear from the industry. It is without a doubt in the nation's best interest that competition in the marketplace should be at the center of all regulatory decisions made by all government agencies, not just the FCC.

Much of macroeconomics is very sensitive to even the slightest, seemingly insignificant adjustment, and the effects of one decision will nearly always affect more than was intended. The safest way to ensure that such effects are neither harmful nor more serious than was intended is to always be sure to promote competition in the industry. It is my hope that the FCC will consider this comment when it rules on the BellSouth petition, as well as when it rules on all of its future decisions.

Thank You,

Camron James, concerned broadband consumer